



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK
AND
REVENUE ASSESSMENT COMMITTEE**

COMMITTEE REPORT

FISCAL YEARS 2018 AND 2019

JANUARY 18, 2018



**JOINT LEGISLATIVE
ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE
FISCAL YEARS 2018 AND 2019**

January 18, 2018

Committee Members

Sen. Fred Martin
Co-Chairman

Sen. Shawn Keough

Sen. Steve Bair

Sen. Cliff Bayer

Sen. Dean Mortimer

Sen. Dan Johnson

Sen. Kelly Anthon

Sen. Grant Burgoyne

Sen. Mark Nye

Rep. Rick Youngblood
Co-Chairman

Rep. Joe Palmer

Rep. Gary Collins

Rep. Marcus Gibbs

Rep. Jeff Thompson

Rep. Steve Miller

Rep. Lance Clow

Rep. Elaine Smith

Rep. Mat Erpelding

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To the 64th Idaho Legislature, 2nd Regular Session:

We have completed making our overall assessment of Governor Otter's General Fund revenue projections for the fiscal years ended June 30, 2018, 2019, and 2020. Idaho's Constitution, Article VII, Section 11 requires balancing the state's appropriations and expenditures with its revenues. Accordingly, it is this Committee's role and mission to provide advice to you about the reasonableness of such revenue projections. The Committee reviewed and analyzed business, tax, financial data, and trends relating to the state's economy, and obtained testimony from economic, business, and industry experts regarding those aspects of the state's economy and revenues of which they have knowledge.

Governor Otter's General Fund revenue projections for FY 2018, FY 2019, and FY 2020 compared to the Committee's median projections are as follows in millions of dollars:

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
Governor Otter's projections	\$ 3,630.9	\$ 3,823.1	\$ 3,995.1
Committee's median projections	\$ 3,637.2	\$ 3,840.2	\$ 4,032.1
Amount and percent over/(under) Gov. projection	\$6.3 0.2%	\$17.1 0.4%	\$37.0 0.9%

Attachments 1 and 2 provide the detail for all eighteen committee members and three of the presenters.

After careful consideration of expert testimony from economists, business leaders, and industry spokesmen regarding the status of Idaho's current economy and the economic outlook for the next eighteen months, and careful review of the Governor's fiscal year 2018 and 2019 projections, we recommend to the Senate and House of Representatives Leadership and to the Co-Chairs of the Joint Finance-Appropriations Committee total General Fund Revenues available for appropriation to be **\$3,630.9** million dollars for fiscal year 2018 and **\$3,823.1** million dollars for fiscal year 2019.

Attachment 3 provides a historical comparison of projections and actual collections.

Respectfully,

Representative Rick Youngblood

Senator Fred Martin

**2018 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**

FY 2017 Revenues **\$3,448.5** Millions of Dollars

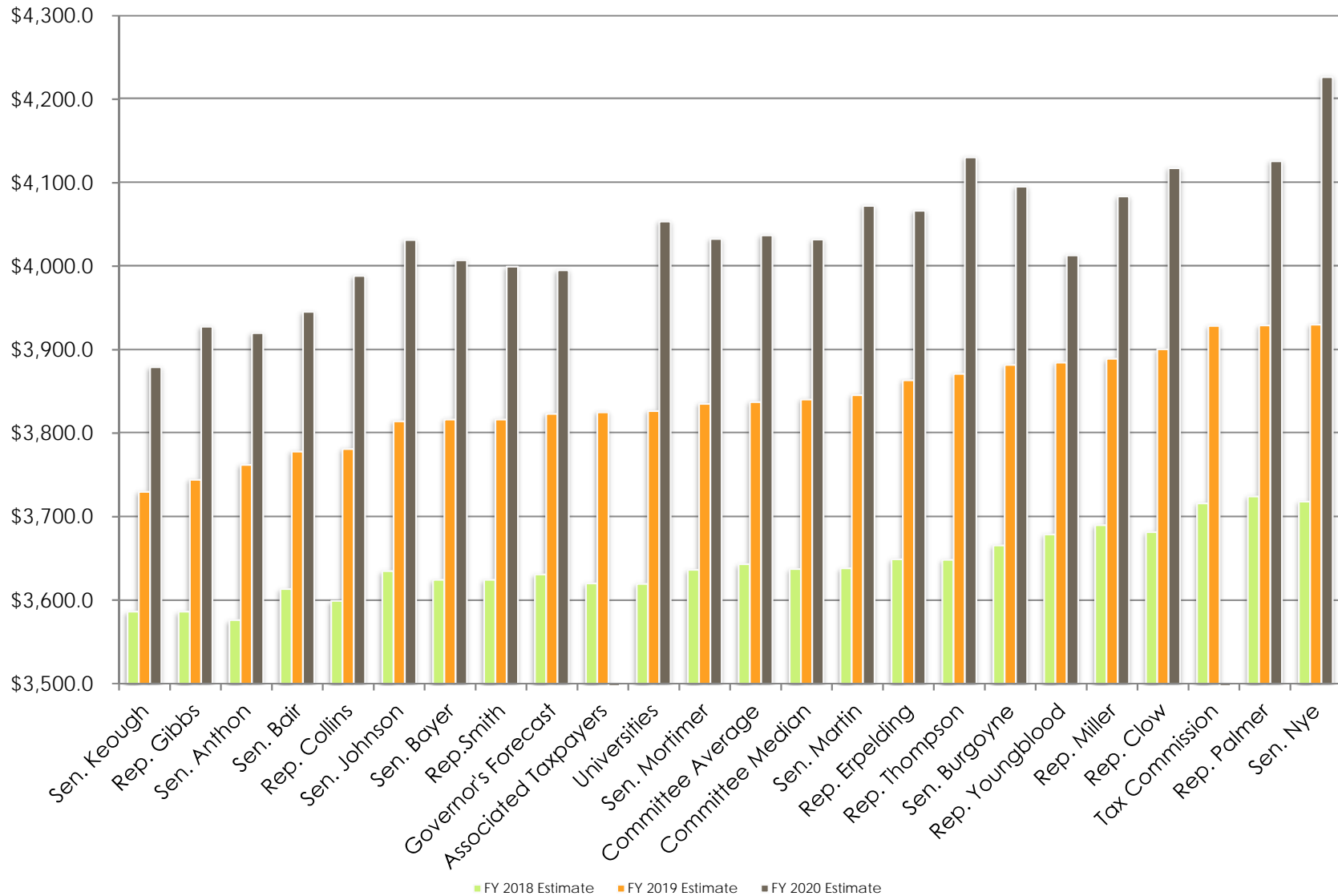
Participant	Rank #1	FY 2018 Estimate	FY 17-18 Change	Rank #2	FY 2019 Estimate	FY 18-19 Change	Rank #3	FY 2020 Estimate	FY 19-20 Change	Rank #4	Three-year Estimate
Sen. Keough	2	\$3,586.3	4.0%	1	\$3,729.8	4.0%	3	\$3,879.0	4.0%	3	\$11,195.1
Rep. Gibbs	2	\$3,586.3	4.0%	2	\$3,744.1	4.4%	5	\$3,927.6	4.9%	5	\$11,258.0
Sen. Anthon	1	\$3,576.0	3.7%	3	\$3,761.9	5.2%	4	\$3,919.9	4.2%	4	\$11,257.8
Sen. Bair	5	\$3,613.3	4.8%	4	\$3,777.8	4.6%	6	\$3,945.4	4.4%	6	\$11,336.5
Rep. Collins	4	\$3,599.2	4.4%	5	\$3,781.1	5.1%	7	\$3,988.5	5.5%	7	\$11,368.8
Sen. Johnson	11	\$3,634.7	5.4%	6	\$3,814.1	4.9%	12	\$4,031.5	5.7%	11	\$11,480.3
Sen. Bayer	8	\$3,624.3	5.1%	7	\$3,816.4	5.3%	10	\$4,007.2	5.0%	9	\$11,447.9
Rep. Smith	8	\$3,624.3	5.1%	7	\$3,816.4	5.3%	9	\$3,999.5	4.8%	8	\$11,440.2
Governor's Forecast	10	\$3,630.9	5.3%	9	\$3,823.1	5.3%	8	\$3,995.1	4.5%	10	\$11,449.1
Associated Taxpayers	7	\$3,620.0	5.0%	10	\$3,824.8	5.7%	1	\$0.0	(100.0%)	1	\$7,444.8
Universities	6	\$3,619.4	5.0%	11	\$3,826.6	5.7%	16	\$4,053.4	5.9%	12	\$11,499.4
Sen. Mortimer	12	\$3,636.2	5.4%	12	\$3,835.0	5.5%	14	\$4,032.6	5.2%	13	\$11,503.8
Committee Average	15	\$3,643.0	5.6%	13	\$3,837.3	5.3%	15	\$4,036.8	5.2%	15	\$11,517.1
* Committee Median	13	\$3,637.2	5.5%	14	\$3,840.2	5.6%	13	\$4,032.1	5.0%	14	\$11,509.4
Sen. Martin	14	\$3,638.1	5.5%	15	\$3,845.4	5.7%	18	\$4,072.3	5.9%	16	\$11,555.8
Rep. Erpelding	17	\$3,649.0	5.8%	16	\$3,863.2	5.9%	17	\$4,066.5	5.3%	18	\$11,578.7
Rep. Thompson	16	\$3,648.4	5.8%	17	\$3,871.0	6.1%	23	\$4,130.3	6.7%	20	\$11,649.7
Sen. Burgoyne	18	\$3,665.6	6.3%	18	\$3,881.9	5.9%	20	\$4,095.4	5.5%	19	\$11,642.9
Rep. Youngblood	19	\$3,678.6	6.7%	19	\$3,884.5	5.6%	11	\$4,013.0	3.3%	17	\$11,576.1
Rep. Miller	21	\$3,689.8	7.0%	20	\$3,889.0	5.4%	19	\$4,083.5	5.0%	21	\$11,662.3
Rep. Clow	20	\$3,681.6	6.8%	21	\$3,900.6	5.9%	21	\$4,117.4	5.6%	22	\$11,699.6
Tax Commission	22	\$3,716.0	7.8%	22	\$3,928.5	5.7%	1	\$0.0	(100.0%)	2	\$7,644.5
Rep. Palmer	24	\$3,724.3	8.0%	23	\$3,929.1	5.5%	22	\$4,125.6	5.0%	23	\$11,779.0
Sen. Nye	23	\$3,718.0	7.8%	24	\$3,930.0	5.7%	24	\$4,226.4	7.5%	24	\$11,874.4
Range of Participants		\$148.3			\$200.2			\$347.4			\$679.3

Sorted by FY 2019 Estimate
Pessimistic to Optimistic

* The Committee Median is the average of the ninth and tenth committee members' estimates in the ordered set of eighteen members.

Diff. Com. Median from Governor	\$6.3	\$17.1	\$37.0
Percent Diff. from Gov Forecast	0.2%	0.4%	0.9%

**2018 Joint Legislative
Economic Outlook and Revenue Assessment Committee
General Fund Revenue Projections**



Historical Comparison of Original Projections to Actual Collections Line Graph

